

Budget Unit Brief

FY 2017



Tourism Marketing - Adjusted Gross Receipts

Purpose and History

The Tourism Marketing Adjusted Gross Receipts appropriation was created in 2006 Iowa Acts chapter 1151 ([HF 2791](#) - Endow Iowa Tax Credit and County Endowment Fund Change Act) to fund regional tourism marketing. The appropriation goes to the [Iowa Economic Development Authority](#) (IEDA) and is used to pay for the spring advertising campaign that the [Travel Iowa](#) Office conducts. Funds are also used for other advertising not associated with the spring campaign and for providing out-of-state marketing grants to groups in Iowa to promote their venues or events. The appropriation first occurred in FY 2008. The standing appropriation is prohibited from being used for administrative purposes.

Funding

The appropriation is funded from the 0.2% tax on the adjusted gross receipts of all gambling in Iowa. This amount is placed in the State General Fund. Of that percentage, \$520,000 (or an amount specified by the General Assembly through legislative action) goes to the [Department of Cultural Affairs](#) for the [Community Cultural Grants Program](#). The remainder is divided in half, with one-half deposited in the Rebuild Iowa Infrastructure Fund and the other half allocated to the appropriation.

The appropriation has periodically been limited by the General Assembly. The appropriation was fully funded in FY 2008 and FY 2009 (approximately \$1.1 million), reduced by a specified amount from FY 2010 to FY 2013 (averaging \$835,000), and was fully funded again in FY 2014 through FY 2017.

Funding—State General Fund

The IEDA also utilizes its [Economic Development Appropriation](#) from the General Fund for Travel Iowa operations. Expenditures include advertising for media planning, development, and placement; public relations; Iowa Welcome Centers and State Fair advertising; and Iowa Travel Guide photography and production.

Related Statutes and Administrative Rules

Iowa Code sections: [15.108\(5\)](#), [99F.11](#)
[261](#) Iowa Administrative Code chapter [35](#)

Related Publications and Information

Issue Review: [Tourism Advertising and Travel](#)
Iowa Economic Development Authority: [Travel Iowa Research](#)

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More Information

Travel Iowa: <http://traveliowa.com/>

Iowa General Assembly: <https://www.legis.iowa.gov/>

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